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IN LIEU OF ORIGINAL



June 6, 2001

The Honorable Norman Y. Mineta  
Secretary of Transportation  
400 7<sup>th</sup> Street SW  
Washington, D.C. 20590

FMCSA-98-3297-37

FMCSA-98-3298-30

Dear Secretary Mineta:

FMCSA-98-3299-31

Today President Bush issued a memorandum directing the Department of Transportation to "accept and expeditiously process applications, submitted by enterprises domiciled in the United States that are owned or controlled by persons of Mexico, to obtain operating authority to provide bus services between points in the United States."

Last month, we the American Bus Association wrote to Acting Deputy Federal Motor Carrier Safety Administrator, Julie Cirillo, in regard to recently proposed rules regarding implementation of the NAFTA border opening for buses. Since the President's action today, we want to strongly emphasize several points we made in the letter to Ms. Cirillo regarding the importance of ensuring that the rules are adequate to ensure passenger safety.

While we recognize that the new investment framework will include international cargo operations we believe that, more importantly, the changes will affect investment in companies that move people. It is toward those operations that DOT should focus much of its attention.

In our letter to Ms. Cirillo, we noted that the proposed crossborder access rules would establish stringent requirements and oversight for the applications and operations of Mexican companies providing international passenger service between Mexico and the U.S. However, the proposal would not apply those requirements and oversight to *Mexican-owned* companies seeking to provide domestic point-to-point passenger service in the U.S.

We believe the rules and oversight for Mexican-owned companies providing domestic U.S. service should be at least as stringent as the rules for Mexican companies providing international service. Furthermore, the existence of the lax domestic standards means that Mexican passenger carriers could bypass the more stringent international standards



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by getting domestic U.S. authority through a subsidiary and combining it with international authority from Mexico.

We hope that this loophole will be closed in the final rules. Perhaps the most expeditious way to close this loophole would be through an expedited rulemaking that puts in place the 18-month facility audit for new entrants to the U.S. market as required by the Motor Carrier Safety Improvement Act. That way the audit would be a requirement for all new entrants regardless of their ownership. We would be glad to discuss this with you further.

Thank you for your attention to this matter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Peter J. Pantuso". The signature is fluid and cursive, with the first name "Peter" and last name "Pantuso" clearly distinguishable.

Peter J. Pantuso  
President & CEO

cc: Deputy Secretary Jackson  
Acting Deputy Administrator Cirillo